United Nations E/2000/SR.41

Economic and Social Council

Provisional

9 November 2000

Original: English

Substantive session of 2000
General segment

Provisional summary record of the 41st meeting
Held at Headquarters, New York, on Wednesday, 26 July 2000, at 3 p.m.

President: Mr. Mbayu (Vice-President) (Cameroon)

Contents

Economic and environmental questions (*continued*)

(a) Sustainable development (*continued*)

(b) Public administration and finance

(c) Water supply and sanitation

(d) Cartography (*continued*)

(e) Population and development

(f) Statistics (*continued*)

(g) International cooperation in tax matters

(h) Functioning of the Commission on Science and Technology for Development, including its role in coordinating science and technology for development (*continued*)

Corrections to this record should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent *within one week of the date of this document* to the Chief, Official Records Editing Section, room DC2-750, 2 United Nations Plaza.

00-55397 (E)

In the absence of Mr. Wibisono (Indonesia), Mr. Mbayu (Cameroon), Vice-President, took the Chair.

The meeting was called to order at 3.20 p.m.

Economic and environmental questions (*continued*)

(a) Sustainable development (*continued*) (A/54/855-E/2000/44; A/55/78-E/2000/56; A/55/89-E/2000/80 and A/55/99-E/2000/86; E/2000/29, E/2000/33, E/2000/97 and E/2000/104)

(d) Cartography (*continued*) (A/54/747-E/2000/6; E/2000/48 and E/2000/49)

(f) Statistics (*continued*) (E/2000/24)

(h) Functioning of the Commission on Science and Technology for Development, including its role in coordinating science and technology for development (*continued*) (A/55/96-E/2000/84)

1. **Ms. Aragon** (Observer for the Philippines) said that her delegation agreed with the Inter-Agency Committee on Sustainable Development (IACSD) that the ten-year review of the United Nations Conference on Environment and Development should not be limited to the state of implementation of the specific provisions of Agenda 21 but should also assess the impact of new developments and emerging challenges, including globalization, information technology, governance and the growing magnitude of both natural disasters and man-made calamities (A/55/78-E/2000/56, para. 11). Having, like many countries, a special interest in the successful implementation of Agenda 21, the Philippines welcomed efforts to ensure fulfilment of the commitments made in Rio and to further the sustainable development agenda. As a fellow member of the Association of South-East Asian Nations, it supported Indonesia's offer to host the ten-year review conference.

2. **Mr. Chowdhury** (Observer for Bangladesh), commenting on the report of the Committee for Development Policy (E/2000/33), said his delegation agreed that in the newly emerging global economy, information was as critical a resource as capital and labour. In order to take advantage of the increased flow of information, the developing countries, and, in particular those least developed, needed to develop basic communications infrastructures and build capacities in order to administer the information processing system and interpret the resulting information. Failure to meet those requirements would further widen the digital divide.

3. While his delegation supported the recommendations contained in the report of the Secretary-General on the draft text of an international development strategy for the first decade of the new millennium (A/55/89-E/2000/80), it must be borne in mind that developing countries were at varying stages of development and that their constraints and opportunities differed. The development strategy should therefore be balanced and flexible and should include a clear thrust and possible modalities for the generation of political will; target setting for the new development decade should be fully backed by policy and resource commitments.

4. Generally speaking, his delegation was in favour of the five indicators included in the new economic vulnerability index: export concentration, instability of export of goods and services, instability of agricultural production, share of manufacturing and services in gross domestic product and population size. However, inclusion of the extent of poverty in a country as an additional indicator would make the index more useful and reliable; people living in poverty were invariably more vulnerable than others, and there were relatively good data in that area.

5. Although Maldives apparently qualified for graduation from the list of least developed countries under the revised criteria, its vulnerability profile should be carefully evaluated. Its economy was focused on tourism and fisheries: the former fluctuated widely while the latter had shown no sign of expansion during the past decade. The manufacturing sector accounting for only 2 per cent of the country's economy, the cost of graduation had not been assessed, and graduation might disrupt the country's ongoing development programmes, thereby violating General Assembly resolution 46/206. Furthermore, any revision of the list at the current stage might affect the outcome of the Third United Nations Conference on Least Developed Countries, to be held in May 2001.

6. Lastly, the Committee for Development Policy had not had adequate time to review the list. The least-developed classification was an important factor in the policy decisions and recommendations of a country's development partners and of international

organizations. In approving the Committee's next programme of work, the Council should ensure that sufficient time had been allocated to permit an in-depth consideration of the matter.

7. **Mr. Seki** (Japan) said that his delegation attached great importance to the ten-year review of the United Nations Conference on Environment and Development, which would provide an opportunity to assess progress made during the past decade, discuss ways of promoting synergies among the activities stemming from the environment-related conventions and those of international organizations and identify new challenges and opportunities that had emerged as a result of globalization and technical progress. Particular consideration should be given to the effective use of market mechanisms, the shift towards more sustainable patterns of production and consumption, the identification of areas where more scientific data were needed and the development of innovative technologies.

8. Since the major environment conferences of 1972, 1982 and 1992 had been held in Europe, Africa and Latin America, respectively, his delegation welcomed the Government of Indonesia's offer to host the ten-year review conference.

9. **Mr. Popov** (Belarus), referring to the report of the Commission on Sustainable Development (E/2000/29), welcomed the information on measures taken within the United Nations system to speed up the implementation of Agenda 21. The report would stimulate action on the Commission's decisions at its eighth session, in preparation for the ten-year review of progress achieved in implementing the outcome of the United Nations Conference on Environment and Development. The success of that review could only be assured through effective measures at the national, regional and global levels.

10. A key instrument in the implementation of Agenda 21 was the international development strategy for the first decade of the new century. He endorsed the view of the Committee for Development Policy (E/2000/33, para. 53) that, in order to respond to the needs of the new decade, the strategy must be both comprehensive and balanced and must also be flexible enough to reflect the different constraints and opportunities of countries in very different circumstances and at different stages in their development. His delegation was ready to assist in every possible way in the formulation of the text.

11. **Mr. Kitazawa** (Japan) said that his Government's experts had cast doubt on the validity of the working group on evaluation that was mentioned in paragraph 3 of the report of the Secretary-General on the twentieth session of the United Nations Group of Experts on Geographical Names (E/2000/49). Despite the efforts of the Secretariat and, in particular, the Director of the Statistics Division, the matter had not been discussed fully and the working group's mandate had not been agreed on.

12. **Mr. Mekdad** (Syrian Arab Republic) said that he welcomed the efforts of the Secretariat and the Commission on Sustainable Development to ensure the success of the upcoming ten-year review of the United Nations Conference on Environment and Development, which would provide an opportunity for States to discuss the progress that they had made and the challenges that they faced. His delegation welcomed Indonesia's offer to host the review conference.

13. He also associated himself with the statement by the representative of Bangladesh regarding the request by the delegation of Maldives that a decision on that country's classification as a least developed country should be postponed until the next review.

14. **Ms. Shaw** (United States of America) said that the proposed economic vulnerability index was a source of concern. At the previous session of the Council, her delegation had requested an explanation of the basis on which that classification was determined and why small populations were assumed to be vulnerable; those questions had not been addressed in the current year's report (E/2000/33). Anything that made the decision-making process less objective would undermine the credibility of the list. She also asked why the measurement of per capita gross domestic product had been changed from a three-year average to a single benchmark year and what criteria had been used in selecting that year.

15. While she agreed that Governments should make every effort to create an information technology environment (para. 41), she would have liked the report to recognize the lead role of the private sector in technological development and job creation. With respect to paragraphs 47 and 48, the question of domain registration was already being addressed by the Internet Corporation for Assigned Names and

Numbers. She welcomed the reference to the need for institutional capacities (para. 49). However, she was opposed to the establishment of a world financial organization to provide overall guidance, supervision and monitoring of international standards for sound principles and practices in both national and international finance (para. 58); it would be more timely to continue the reform process within the existing framework.

16. She regretted that the report did not cover the issue of electronic commerce; however, her delegation was in favour of efforts to bridge the digital divide. The needs of developing countries in the area of Internet growth could best be met by creating a competitive, non-discriminatory environment and promoting private investment and the development of affordable basic transmission capacity in order to provide a basis for such applications and to attract capital so that higher quality could be achieved at lower cost. The creation of a transparent, independent regulatory environment and cooperation between all countries, regions and levels of development were essential if that goal was to be achieved.

17. **Mr. Hamad** (United Nations Educational, Scientific and Cultural Organization (UNESCO)), commenting on the report of the Secretary-General on proposals for strengthening the coordination of the mechanisms on the Commission of Science and Technology for Development within the United Nations Conference on Trade and Development with the objective of promoting complementarity of activities within the United Nations system (A/55/96-E/2000/84), said that as the representative of a specialized agency with a specific mandate in science, he agreed with the statement in the report that the Commission on Science and Technology for Development should seek more inter-agency interaction in order to provide leadership and direction in that area (para. 5). However, the guiding principle for such interaction must remain that of comparative advantage and the specificity of approaches within broader scientific mandates.

18. The World Conference on Science, held in Budapest in 1999 as a joint venture between the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the International Council for Science, could serve as a privileged area for such system-wide synergy. The Conference had adopted two important policy papers, the Declaration on Science and the Use of Scientific Knowledge and the Science Agenda-Framework for Action, and had invited the United Nations system to make use of the Agenda when planning and implementing concrete measures and activities that embraced science or its implications. UNESCO was in the process of reorienting its own programmes in that direction; its medium-term strategy 2002-2007 would focus on formal and informal science education at all levels, scientific capacity-building and science and technology policy, personnel and management. It was taking the necessary steps to play its role as clearing house for follow-up to the Budapest Conference.

19. **Mr. Alemán** (Observer for Ecuador) said that his delegation welcomed the report of the Secretary-General on international cooperation to reduce the impact of the El Niño phenomenon (A/55/99-E/2000/86), the growing participation of the Commission on Sustainable Development in the preparation of the International Strategy for Disaster Reduction within the framework of Agenda 21, the suggestion that greater effort should be made to consider the possible link between La Niña and the recent incidences of drought and flood in various parts of the world and the establishment of the Inter-agency Task Force on El Niño. The activities undertaken by the Secretariat and the recommendations contained in the report would ensure continued international cooperation to reduce the impact of El Niño.

20. He reiterated his delegation's commitment to the establishment of an inter-agency task force and an inter-agency secretariat for disaster reduction under the direct authority of the Under-Secretary-General for Humanitarian Affairs and called for periodic reports on developments in that area. Despite a major economic crisis, his Government was making every effort to promote the establishment of an international centre for research on the El Niño phenomenon; the international community's cooperation was essential to that goal.

21. Lastly, he paid tribute to the coordinated, interdisciplinary and multisectoral response of the United Nations system to the El Niño phenomenon, which could serve as a model for natural disaster reduction in the twenty-first century within the framework of sustainable development policy and a culture of prevention.

22. **Mr. Kolby** (Norway) said that the Committee for Development Policy had contributed to the ongoing debate on the role of information technology in

development, its potential benefits and risks and the legal and ethical issues that arose at the national, regional and international levels from the misuse of that technology.

23. The review of the list of least developed countries (LDCs), and particularly the inclusion of vulnerability among the criteria for establishing LDC status, had far-reaching consequences for the countries concerned and must be dealt with carefully. In that connection, the possible graduation of Maldives from the list of LDCs should be considered further, in the light of the unique environmental, economic and socio-economic challenges faced by that country. Norway supported the work carried out by the South Pacific Applied Geoscience Commission on the development of an ecological vulnerability index, particularly in the light of General Assembly resolution 54/224, which called for the development of a vulnerability index by the end of 2000. Since such efforts were ongoing in a number of international forums, more information should be obtained before a final decision was taken on the graduation of Maldives. Norway therefore could not support the recommendation of the Committee for Development Policy that Maldives should graduate from the list of LDCs.

24. **Mr. Amin** (United Nations Environment Programme (UNEP)) said that UNEP was fully committed to catalysing and coordinating the Organization's response to the environmental dimension of Agenda 21 and to contributing to the 2002 review of the implementation of the outcome of the United Nations Conference on Environment and Development, held in Rio de Janeiro. With respect to the Programme's preparations for that event, the inaugural Global Ministerial Environment Forum, which had been held in Sweden from 29 to 31 May 2000, had initiated the development of a comprehensive environmental contribution to the 10-year review of the Rio Conference. At that meeting, environment ministers had engaged in an interactive dialogue on the major environmental challenges of the twenty-first century. The Ministerial Declaration they had issued was an early high-level policy contribution to the review conference.

25. In compliance with decision 8/1, paragraph (f), of the Commission on Sustainable Development, which concerned the coordination of preparatory activities, representatives of UNEP regional offices had taken part in a regional consultation with representatives of the regional commissions and the Department of Economic and Social Affairs. In cooperation with the high-level regional forum and the regional commissions, UNEP would support Governments and other stakeholders in national and regional preparatory activities.

26. Pursuant to General Assembly resolution 54/218, the activities of UNEP to implement Agenda 21 and the Programme for the Further Implementation of Agenda 21 would be reported at the Millennium Assembly. UNEP had developed a forward-looking strategy on information, monitoring and assessment, which would build on the technical capacity of a network of centres of excellence in developed and developing countries. Currently, UNEP was preparing its third *Global Environment Outlook* report, which would be completed in time to serve as a major substantive input for the review conference. The report would be based on the knowledge of more than 850 experts in 35 institutions, would include a 30-year retrospective and a 30-year forward-looking perspective and would seek to change the way in which the international community understood and responded to environmental challenges in the new millennium.

27. In the light of new evidence of the serious nature of global environmental threats, it had become clear that the expectations raised at the Rio Conference could not be met unless sufficient political will and financial and technical resources were mobilized, supported by strong institutions. To meet that need, UNEP would continue to provide scientific, technical and policy information and advice. Through its policy development, normative and analytical role, UNEP would help to achieve tangible benefits and to revitalize political will to realize the visionary message of the Rio Conference.

28. **Mr. Vangphaen** (Observer for Thailand), supported by **Ms. Long** (Observer for Singapore) and **Mr. Lai Xuan Chieu** (Viet Nam), said that his Government attached great importance to environmental protection and Agenda 21, including the Programme for the Further Implementation of Agenda 21. He welcomed the offer by the Government of Indonesia, announced at the preceding meeting, to host the 10-year review conference in 2002. Since Thailand fully subscribed to the principle of geographical rotation in the hosting of such conferences, it felt that it would be appropriate to hold the review conference in the Asia-Pacific region.

29. **Mr. Relang** (Observer for the Marshall Islands), speaking on behalf of the Pacific Islands Forum countries Australia, Fiji, Marshall Islands, Micronesia, Nauru, New Zealand, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu, said he was pleased that the Committee for Development Policy had confirmed that economic vulnerability should become an explicit part of the criteria for establishing LDC status, since those criteria should reflect not only income levels, but also all constraints to development. Conversely, economic or environmental vulnerability alone did not place a country in that category but must be assessed along with other indicators of development.

30. Further work was needed to ensure that environmental and ecological vulnerability were adequately reflected in LDC criteria. That issue was extremely important to the members of the Pacific Islands Forum, many of which were vulnerable to extreme climatic conditions and the threat of rising sea levels. In continuing to develop and refine LDC criteria, the Committee for Development Policy should work closely with other agencies and organizations dealing with vulnerability issues. The ecological vulnerability index being developed by SOPAC could be useful in that regard.

31. The case of Maldives, which faced exceptional challenges on account of climate change, illustrated the importance of integrating prospective environmental vulnerability into LDC criteria. Consequently, Maldives should receive support from the international community in addressing those challenges and should graduate from the list of LDCs in a phased manner. Lastly, he welcomed and supported the Indonesian Government's generous offer to host the review conference on the implementation of Agenda 21.

32. **Mr. Yang** Tao (China) said that, while some progress had been made in the implementation of Agenda 21 and the strengthening of cooperation on environment and development, the goals of Agenda 21 had not yet been met. The ten-year review of the Rio Conference would provide an opportunity to revitalize the Agenda 21 process. A number of fundamental principles had been spelled out at the Rio Conference, such as the coordination of efforts in the area of environment and development, common but differentiated responsibilities, respect for sovereignty over resources, additional financial assistance, the transfer of environmentally sound technologies and different standards for countries at different stages of development. The review conference should reaffirm those principles and build momentum for their implementation. It should also mobilize political will with a view to reaching consensus on the further implementation of Agenda 21. Priority should be given to helping developing countries overcome obstacles and solve long-standing problems in relation to resources and the transfer of technology. The preparatory process for the review should involve the effective participation of developing countries, and the review itself should be held in a developing country.

33. With respect to science and technology for development, economic globalization and technological development presented opportunities and challenges for developing countries. Science and technology should be used to help solve problems in the areas of poverty, environment and energy. The United Nations should emphasize the role of science and technology as a means of helping developing countries achieve their goals. Accordingly, the Commission on Science and Technology for Development should be strengthened through increased financial support, coordination and synergy with other United Nations entities. Barriers to the transfer of technology should be reduced through the implementation of substantive projects in developing countries.

34. **Mr. Anaedu** (Observer for Nigeria), speaking on behalf of the Group of 77 and China, said that, although sustainable development was of particular importance to developing countries, a number of obstacles hindered those countries' implementation of Agenda 21. While the United Nations system had made some progress, it still suffered from insufficient financial resources, inadequate institutional capacity, cumbersome reporting relationships and inconsistent decision-making, which hindered the achievement of the objectives of Agenda 21. He recommended that the Council should endorse the report of the Commission on Sustainable Development, which highlighted the review of Agenda 21 and discussed the type of mechanism, the preparatory process and the host country for the review. He was pleased that the developing countries' development partners had supported the Group's position that the review should be held in a developing country. Since a number of countries had expressed an interest in hosting the

review, the developing countries, as a family, would settle the issue among themselves through dialogue.

35. It was crucial to ensure adequate preparation for the review at the national, subregional and regional levels, with the full involvement of environmental bodies, particularly UNEP. The extent to which Agenda 21 had been implemented thus far should provide insights on how to make further progress. Assessment indicators for the review process should be developed with the full participation of all countries, to bridge the gaps between different methods of assessment that yielded varying results.

36. He asked for clarification of the status of the draft text of an international development strategy for the first decade of the new millennium (A/55/89-E/2000/80). He regretted that the recent issuance of that document had deprived the Organization's Member States of the benefits of its analyses to guide their deliberations and negotiations. He wondered to what extent the matter could be dealt with at the Millennium Summit when it had not been fully considered by the Council.

37. **Ms. Onoh** (Observer for Nigeria), speaking on behalf of the Group of 77 and China, asked for clarifications concerning the decision which the Statistical Commission had taken on the basis of two articles concerning the *Human Development Report* (E/2000/24, paras. 40-42). Although the Statistical Commission's report referred to them as "background documents", they had been distributed in limited numbers, in English only, to the delegations present at the meeting of 29 February 2000. Thus, many delegations and capitals had not seen the articles before they had been discussed and action had been taken on them. Moreover, the *Human Development Report* had not been placed on the Commission's agenda in advance, as required by its rules of procedure.

38. She wondered why the Commission had decided to take action based on the allegations of an author who was unknown to most of its members, and on what basis it had decided, without verifying that author's findings, to appoint a group of experts to prepare a report on the accuracy of the statistical information in the *Human Development Report*. The objections raised in the articles had fallen into three categories: matters of judgement, misprints in the *Report* and methodology (for example, the author had objected to the use of gross national product (GNP) to measure poverty and had stated that purchasing power per person should have been used instead). She wondered how any individual could have gathered the evidence needed to call into question figures supplied by institutions such as the World Bank, the United Nations Development Programme (UNDP) and the International Monetary Fund (IMF). Whereas most delegations had provided information to those bodies, she was not aware that any of them had received information requests from the author of the articles, whose basic claim was that there were fewer poor people in the world than the *Human Development Report* suggested.

39. The Commission's action could set a dangerous precedent by enabling any delegation to present articles by its nationals castigating United Nations bodies and by shifting the burden of proof from the accuser to the accused. Nigeria, which had participated in the Commission's session as an observer, had twice requested that the Commission should delay action on the articles in question. The office responsible for the *Human Development Report* had been given only two days in which to respond to the accusations and had expressed its willingness to work with the Commission in that regard.

40. She therefore requested the Council to delay action on the report of the Statistical Commission. She also asked how the group of experts would be financed and what rules of procedure had been followed. The Council, as a parent body, should correct the Commission if it deviated from the established rules, such as the rule on the distribution of documents in all official languages. She hoped that the Council would request the Commission to revise its report, since the long-term repercussions of accepting the current report would undermine the integrity of the Commission, the Council and the Organization as a whole.

41. **Ms. Leonce** (Saint Lucia), commenting on the report of the Committee for Development Policy (E/2000/33), said she could not support the recommendation for the graduation of Maldives from LDC status. The review process, both of the criteria for that status and for graduation from the list of least developed countries, should be comprehensive and transparent and should be carried out in consultation with the Governments concerned. A country's vulnerability comprised economic as well as environmental factors. The Committee had overlooked certain economic constraints such as a country's structural weakness owing to the lack of diversity in its

economy, the high development costs borne by small economies, small markets and lack of competitiveness, and vulnerability to external shocks including trade liberalization. Those problems were compounded by environmental vulnerability, including natural disasters such as rising sea levels. There should be a "vulnerability index" as an input to the discussion on LDC status and graduation from it. The Committee should give serious consideration to those issues, especially in the context of the triennial review and the preparations for the third conference on the least developed countries in 2001. The Committee was correct in stating that the dialogue on an international development strategy was ongoing. However, certain sections of the report should be strengthened, especially those dealing with small island developing States and trade. She strongly believed that social and economic development would be achieved with good governance, at both the national and international levels. She supported the wish of the Group of 77 to host the "Rio + 10" review conference.

42. Concerning the report of the Statistical Commission (E/2000/24), she urged that established rules and procedures be followed in dealing with the Human Development Report. She therefore supported the proposal to defer consideration of the Commission's report until those concerns were met.

43. **Ms. Singh** (India), speaking with reference to the report of the Statistical Commission, associated herself with the views of the Group of 77 and China. Concerning the appointment of a group of experts, she wondered what rules of procedure had been followed in appointing the group, and what financial arrangements had been made. Consideration of the report should be deferred until the Group's queries had been fully answered.

44. **Mr. Adawa** (Observer for Kenya) endorsed the comments of the Indian representative.

45. **Mr. Anaedu** (Observer for Nigeria), speaking on behalf of the Group of 77 and China, supported the application of Maldives for postponement of its graduation from the list of LDCs. The issues raised in that connection deserved some priority.

46. **Mr. Neewoor** (Mauritius) also supported the application of Maldives. Graduation would involve the loss of benefits crucial to its economy. In 1999, the vulnerability of small island States had been discussed at length during the special session of the General Assembly on that question, with emphasis on the nature of their gross domestic product and how it differed from that of other States. Many small island States made a living mainly from tourism, and the per capita cost of building an airport or constructing a sewage system in a country with 100,000 inhabitants could hardly be compared with the cost of doing so in a country with a population of millions. That was a significant vulnerability factor which should be taken into account.

47. **Mr. Faaland** (Chairman of the Committee for Development Policy), replying to the points raised, said that the Committee was very concerned about the kinds of vulnerability mentioned; and the concerns raised on behalf of Maldives had been reflected in the Committee itself. The reason for deciding that it should graduate from the list were based on its gross domestic product and quality of life index, relating to health, education and other services. According to those criteria, to which the Council itself had agreed, Maldives scored about the minimum level. If the Council felt that vulnerability alone justified retention on the list, its decision would be respected. At the Committee's second session, he had suggested that the criteria for inclusion on the list should not be changed until after the forthcoming conference on LDCs.

48. **The President** said that the Council had concluded its general discussion of agenda item 13 and sub-items (a), (d), (f) and (h). He invited it to adopt the draft decision contained in document E/2000/29, entitled "Report of the Commission on Sustainable Development on its eight session and provisional agenda for the ninth session of the Commission".

49. *The draft decision was adopted.*

50. **The President** invited the Secretariat to respond to requests for clarification concerning the report of the Statistical Commission (E/2000/24).

51. **Mr. De Barros** (Secretary of the Council) explained that the Council was required to take note of the report, to authorize the holding of the Commission's thirty-second session in New York from 6 to 9 March 2001, and to approve the provisional agenda for that session. Taking note of the report did not imply any judgement on its content.

52. **Mr. Habermann** (Director of the Statistics Division) said that a Member State, namely Australia, had raised the issue of the paper on the *Human*

Development Report 1997, prepared by Ian Castles, to which the Commission referred in paragraphs 40 and 41 of its report (E/2000/24). The Commission itself had not taken any position on that paper. However, a group of "friends of the Chair" had decided that the accuracy of the report must be considered, and the Commission had accordingly decided to appoint a group of statistical experts for the purpose. That decision had had no financial implications, since the group had worked through faxes and emails, without holding face-to-face meetings.

53. **Ms. De Lacy** (Observer for Australia) confirmed that the issue had been raised by the Government of Australia, not by an individual. Australia was highly supportive of the Human Development Report and was anxious for the concerns of the statistical community to be addressed.

54. **Ms. Onoh** (Observer for Nigeria) reiterated her concern that an organ of the Council had taken a decision which ran contrary to all its rules. The decision taken had been based on allegations by Mr. Castle in his article, which had not been endorsed by Australia. The decision had resulted in action taken without recourse to the rules of procedure of the Council.

55. **The President** said that the observer for Australia had already made clear that the report in question had been presented to the Commission as the work of an individual. There was no need for the Council to deal with a matter under consideration by one of its subsidiary bodies. The only action required of the Council was to take note of the report of the Commission and to approve the arrangements for its thirty-second session.

56. **Ms. Onoh** (Observer for Nigeria) said that the text adopted by the Commission, as contained in paragraph 42 of its report, did not reflect the Commission's proceedings. That was why the Council could not merely take note of the report. She agreed that the paper on the Human Development Report had been presented as the work of an individual and had not been endorsed by the Government of Australia. She suggested the Council could take the matter up again at a resumed session.

57. **Mr. Gamaleldin** (Observer for Egypt) supported that suggestion. In the light of the response by the observer for Australia, the matter called for further discussion.

58. **Ms. De Lacy** (Observer for Australia) said that when her Government had presented the Castles report, it had expressed concern about the views expressed in it.

59. **The President** said that the statement by the observer for Australia made it clear that the report had been presented by her Government. The Council must now decide whether to defer its decision on the Commission's report to a resumed session.

60. **Mr. A'ala** (Syrian Arab Republic) said that his delegation was concerned at the growing tendency in the United Nations to take action on documents before they had been issued in all the official languages. With respect to the point raised by the observer for Nigeria, he suggested that the President might appoint a facilitator who would attempt to achieve agreement on the issue and report back to the Council the following day.

61. **Mr. Hynes** (Canada) said that taking note of the report did not imply any position on it by the Council. Moreover, his delegation felt that it was the Council's responsibility to approve the date and agenda of the next session of the Statistical Commission. The Council might at the same time decide to ask the President to seek clarification of the issue from the Commission.

62. **Ms. Leonce** (Saint Lucia) said that there were legitimate points on both sides of the issue. She suggested that the Council might take note of the report while adding the phrase "taking note of the serious objections raised by the Group of 77".

63. **Ms. Onoh** (Observer for Nigeria) said she continued to maintain that Australia had presented the report on behalf of an individual. If the Council nevertheless wished to approve the report, it might at the same time ask the Statistical Commission to clarify on what basis it had taken its decision.

64. **Mr. Suazo** (Honduras) agreed with the representative of Saint Lucia that "taking note" meant approving the report. He suggested that the Council might approve the report but at the same time take note of the information presented in chapter XIII of the Commission's report.

65. **Mr. Gamaleldin** (Observer for Egypt) supported the Nigerian proposal.

66. **The President** invited the Council to take note of the report and request the Statistical Commission to provide clarification on the issues raised by the representative of Nigeria on behalf of the Group of 77 and China, as reflected in the summary record.

67. *It was so decided.*

68. **The President** invited the Council to adopt the draft recommendations of the Fifteenth United Nations Regional Cartographic Conference for Asia and the Pacific (E/2000/48, para.16).

69. *The draft recommendations were adopted.*

70. **The President** drew attention to the draft recommendations made by the United Nations Group of Experts on Geographical Names at its twentieth session (E/2000/49, para.7). He invited the Council to adopt the draft recommendations subject to the comments made by the representative of Japan.

71. *It was so decided.*

Economic and environmental questions (*continued*) (A/55/60-E/2000/17 and E/2000/45)

(b) Public administration and finance (E/2000/66)

(c) Water supply and sanitation (A/55/65-E/2000/19; E/CN.17/2000/13)

(e) Population and development (E/2000/25)

(g) International cooperation in tax matters (E/1999/84; E/2000/96)

72. **Mr. Bertucci** (Division for Public Economics and Public Administration), introducing the Secretariat note on assistance to third States affected by the application of sanctions (E/2000/45), drew attention to section IV of the report, which summarized the views of Governments on the report of the ad hoc expert group on the subject convened in 1998, and section V, which summarized the comments of international organizations on the same report and related issues of international assistance to the affected States. At its fifty-fourth session, the General Assembly had welcomed the report containing the main findings of the ad hoc expert group (A/53/312) and in addition had recognized the important role of the Economic and Social Council both in the ongoing review of the expert group recommendations and, more generally, in mobilizing and monitoring economic assistance to third States confronted with special econc problems arising from the application of sanctions. The Secretary-General would summarize and analyse the comments received from all concerned, and present his views on the issue in a new report for the fifty-fifth session of the Assembly.

73. Turning to sub-item (b), he said that the report of the Secretary-General on the fifteenth meeting of the Group of Experts on the United Nations Programme in Public Administration and Finance, held in New York in May 2000, was contained in document E/2000/66. The main substantive discussion at that meeting had dealt with the effects of globalization on the role and functioning of the State and public sector, and the types of responses, whether institutional or managerial, which were appropriate to maximize the benefits and minimize the negative consequences of globalization. In analysing the institutional responses, the discussion had focused on the nature of the institutions concerned with human development and the experiences of globally aware Governments which had created or altered institutions to scan the rapidly changing environment, to promote policy invention and policy dialogue, to speed up decision-making and to create long-term sustainable strategies. In discussing the managerial response to globalization, the Group of Experts had noted that Governments in developing countries faced the challenge of continuing efforts to stabilize the State while at the same time adapting to globalization. The role public service employees had to play in responding to globalization had been examined in the discussion in terms of strengthening the managerial capacity of the State for social and economic growth and creating an enabling environment for civil society and the private sector to flourish.

74. The Group of Experts had also addressed processes affecting national and global economic governance systems. It had been determined that there was a need to adapt national economic governance systems in order to take advantage of the positive potential of economic globalization and to avoid potentially negative effects, and it had been concluded that that required changes in national policies, institutions and management systems.

75. The Group of Experts had made a number of recommendations to Member States on specific measures to be taken in relation to the public sector and had noted that the United Nations could provide very

valuable assistance to Member States. It had also reviewed the subprogramme "Public administration, finance and development" in the draft medium-term plan for 2002-2005; the report on the activities carried out in the biennium 1998-1999; and the proposed activities for the biennium 2000-2001.

76. The Group of Experts had strongly endorsed the preparation by the Department of Economic and Social Affairs of a recurrent publication on "The state of the public sector", which would contain basic data on the public sector, country public administration profiles and analysis of emerging issues relating to the public sector. It had supported the initiatives taken to enhance synergy, cooperation and coordination between organizations of the United Nations system in the area of public administration. It had recommended that the United Nations continue to provide support to African Governments in the development and implementation of their charter for the public service and find ways and means to support and encourage similar initiatives in other regions. It had also recommended that serious consideration should be given to expanding on the work already done by the African Ministers of Public Service and to drawing up a United Nations model charter of public service.

77. Lastly, the Group of Experts had fully supported and endorsed the plan of action of the development dividend project on the United Nations Online Network of Regional Institutions for Capacity-Building in Public Administration and Finance (UNPAN) as a mechanism for cooperation and had stressed the need to deepen the impact of the project by strengthening the capacity of national ministries and institutions of public administration in developing countries and countries in transition to access data, information and training through information technology.

78. Introducing the report of the Secretary-General on the ninth meeting of the Ad Hoc Group of Experts on International Cooperation in Tax Matters (E/1999/84), he noted that the Group of Experts had initially prepared guidelines for facilitating the conclusion of bilateral tax treaties between developed and developing countries which had been published in 1980 as the United Nations Model Double Taxation Convention between Developed and Developing Countries. In the 1990s, however, the Group of Experts, recognizing the need for the revision and update of the Model Convention, had appointed a focus group which had prepared a revised version and submitted it to the Group of Experts at the ninth meeting in May 1999. All the members had approved the new draft of the Model Convention, which would now be published.

79. The report of the Secretary-General on the ninth meeting highlighted the discussion on the agenda items relating to the exchange of information, transfer pricing, and revision and update of the United Nations Model Taxation Convention between Developed and Developing Countries and the Manual for the Negotiation of Bilateral Tax Treaties between Developed and Developing Countries. While that report had been formally placed before the Council at its last substantive session, consideration of it had been deferred to the current session in order to take into account the work done by the Steering Committee in its meeting held in April 2000.

80. As the Council was aware, the advent of globalization had contributed to the dynamism of the world economy but had also introduced new complexities in international economic relations which had affected the basic concepts of international taxation and international allocation of income. The United Nations, through the Group of Experts, would endeavour to continue the process of updating the Model Convention in the future. The Council might therefore wish to take note of the report of the Secretary-General, as supplemented by the note from the Chairman of the Group of Experts to the President of the Council (E/2000/96), and of the fact that the revised Model Convention would be published shortly by the Secretary-General.

81. **Ms. Brewster** (Water Management and Small Island Developing States Branch), introducing the report on progress made in providing safe water supply and sanitation for all during the 1990s (E/CN.17/2000/13), said that, currently, about 82 per cent of the world's population had access to safe water supply and 59 per cent had access to adequate sanitation. In urban areas, 94 per cent of the population was currently covered by safe water supply and 85 per cent by adequate sanitation. In rural areas, however, 71 per cent of the population was covered by water supply and only 36 per cent by sanitation facilities.

82. In the three major developing regions (Africa, Asia and Latin America), which accounted for over 82 per cent of the world's current population, the percentage of the total population with access to safe

water had increased from 72 to 78 per cent during the 1990s, whereas for sanitation it had increased from 42 to 52 per cent. Progress in coverage varied widely, however, among the three regions, as well as between urban and rural areas. In rural areas of Africa, while the access to water supply had increased to 46 per cent, a majority of the people living there still lacked access to a reasonable supply of water. That was unacceptable in terms of human health and well-being. Data on rural areas in Latin America and the Caribbean also showed a surprisingly low access to water supply; relative coverage there had increased only from 56 to 58 per cent. The main increase in relative coverage in water supply in rural areas had been seen in Asia, where access had increased from about 65 per cent to 74 per cent from 1990 to 2000. Progress had been particularly significant in eastern and south-central Asia, subregions that included both China and India.

83. The percentage of the world's rural population lacking access to sanitation remained alarmingly high, at 63 per cent. A very special effort would be needed in rural Asia, where there was only 30 per cent coverage, and in rural Africa, where coverage had declined over the past decade.

84. The paper contained details on the methodology, quality of service, flow of financial resources required and policy trends since 1990. Important policy trends included a shift in the role of government from provider of services to provider of a legislative and regulatory framework, with greater autonomy given to utilities, the private sector and community organizations.

85. The report also provided a forecast on the outlook for the year 2025, when as much as two thirds of the world's population could be faced with moderate or severe stresses by then over their water resources. The task of providing safe water and adequate sanitation services to the growing urban and peri-urban population was seen to be nothing short of daunting. The sustainability of urban development was very much in question, not only as a result of increased requirements of water supply and sanitation, but also because of the enormous additional stress on waste water and solid waste treatment facilities, which were already vastly inadequate to cope with existing burdens. The report warned that the continued neglect of the urban waste problem would inevitably have dire consequences, with regional and global implications, in the not too distant future.

86. The provision of services to the neglected rural population still remained a formidable challenge that also needed to be addressed with the utmost urgency. As stressed in the report, any hope of achieving full coverage in the next 25 years could only be envisaged if steps were taken to implement fully the recommendations of Agenda 21 and of other international conferences.

87. The report contained recommendations on strategies to improve coverage, including massive infusion of financial resources from all levels, coupled with effective cost recovery policies, devolution of responsibilities to the lowest appropriate level of management, improved information management and increased emphasis on the empowerment of women in the provision of water supply and sanitation. According to the report of the Secretary-General (A/54/2000) to the Millennium Assembly, one of the most urgent tasks was "... to reduce by half, between now and 2015, the proportion of people who lack sustainable access to adequate sources of affordable and safe water". If that goal was achieved it would constitute a decisive step along the path towards full coverage.

The meeting rose at 1 p.m.